

Wisconsin Farm Service Agency - August 2022

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Dates to Remember

August 5, 2022: Deadline to enroll expiring CRP acreage into the Continuous signup (including <u>CLEAR30</u>, HELI, SAFE, and CREP)

August 15, 2022: Acreage Reporting Deadline for Cabbage, Cucumbers, Processing Beans

September 5, 2022: USDA Service Centers closed in observance of Labor Day

FSA is Adjusting to Fit the Situation Facing Livestock Producers

A message from FSA Administrator Zach Ducheneaux:

As a former rancher myself, I know the tremendous investments—in time, sweat, and thought—that producers make even before their calves hit the ground. My experiences lead me to firmly believe that, here at the Farm Service Agency (FSA), we must find flexibilities where possible to help our farmers and ranchers best meet the challenges of the day.

In recent meetings with Senator John Hoeven, FSA North Dakota State Executive Director Marcy Svenningsen, and livestock producers in North Dakota impacted by catastrophic 2021 winter storms, it became apparent that our Livestock Indemnity Program (LIP) payment rates were not reflective of the true market value for non-adult beef, beefalo, bison, and dairy animals. It was time for us to pivot.

LIP provides benefits to livestock owners and some contract growers for livestock deaths exceeding normal mortality from eligible adverse weather events, certain predation losses and reduced sales prices due to injury from an eligible loss.

Indemnity payments are made at a rate of 75 percent of the market value of the livestock on the day before the date of death. I don't mind saying that, under our previous payment rates, cutting a LIP check to a rancher for \$150 for a calf in today's market came nowhere near covering the year-long investment in carrying the cow through pregnancy and carrying the calf from birth to sale.

To better capture ranchers' investments in their animals, we recently announced increased LIP payment rates for beef, beefalo, bison, and dairy animals less than 250 pounds. These now-updated payment rates are reflective of the substantial increased cost of these non-adult livestock in 2022:

The updated LIP payment rates are effective immediately and will be applied retroactively starting January 1, 2022, for all eligible causes of loss including excessive heat, tornado, winter storms, and other qualifying natural disasters. Producers who have already received LIP payments for 2022 will receive an additional payment, if applicable, commensurate with these updated rates. For details on eligibility and payment rates, you can review our LIP fact sheet.

Other Program Improvements

These LIP policy changes complement enhancements we recently made to our <u>Emergency</u> <u>Assistance for Livestock, Honey Bees and Farm-Raised Fish Program (ELAP)</u> – changes that also were derived from the direct input and feedback of producers and the livestock groups.

In addition to paying above normal costs for hauling water to drought-stricken livestock, we also added compensation for hauling feed to livestock and livestock to forage or other grazing acres. And, in 2021, we added fish raised for food as an ELAP-eligible commodity because producers and industry leaders expressed the need.

By continually evaluating how we can deliver our programs in a manner that is meaningful to the farmers and ranchers we serve, we demonstrate our ongoing commitment to stakeholder engagement and our dedication to improving programs for livestock producers first signaled by Agriculture Secretary Tom Vilsack during a Senate Agriculture Committee hearing earlier this year.

It has been said actions speak louder than words, but when it comes to FSA programs that directly affect producers' livelihoods and way of life and ultimately impact food security for all Americans, I believe the two are not mutually exclusive. Rest assured that when producers and producer groups speak, FSA and I, to the extent possible, will do whatever is within our power to turn those words into actions.

Deadline Extended and More Pre-Filled Forms For 2020 and 2021 Disasters on the Way

The U.S. Department of Agriculture (USDA) announced that it will indefinitely extend the deadline for producers to return the pre-filled applications for Phase One of the Emergency Relief Program (ERP). A new deadline will be announced after the last Phase One applications are mailed and provide at least 30 days following the mailing.

Continuing to build on the initial mailing of pre-filled applications in May, the Department will continue using existing information in USDA and crop insurance files to send additional pre-filled applications starting this week for potentially eligible Noninsured Crop Disaster
Assistance Program (NAP) participants. Once applications from eligible NAP producers are returned, these producers are expected to receive about \$105 million in ERP payments for eligible losses from 2020 and 2021 disasters.

USDA's Farm Service Agency (FSA) is now mailing pre-filled applications to NAP producers through ERP to offset crop yield and value losses. To receive a relief payment, producers should complete and return the applications by announced deadlines.

Producers are expected to receive assistance direct deposited into their bank account within three business days after they sign and return the prefilled application to the FSA county office and the county offices enters the application into the system.

While most crop insurance customers that may be eligible for ERP Phase One received the pre-filed applications in May, there are some who should expect to receive a form in August including:

- Producers who had an eligible loss in 2020 that had been recorded in the crop insurance records as a 2019 loss (e.g., prevented planting claims); and
- Producers with policies that required additional information before being able to calculate an indemnity for 2021 losses (producers with 2020 losses would have already received that application). Policies that required additional information include Supplemental Coverage Option (SCO), Enhanced Coverage Option (ECO), Stacked Income Protection Plan (STAX), Margin Protection Plan (MP) or Area Risk Protection Insurance (ARPI).

Producers without risk management coverage through crop insurance or NAP and those with shallow losses may be covered by the forthcoming Phase Two of ERP.

USDA estimates that Phase One ERP benefits will reach more than 5,200 producers with NAP coverage for eligible 2020 and 2021 crop losses. This emergency relief complements ERP assistance recently provided to more than 162,000 producers who had received crop insurance indemnities for qualifying losses. Nearly 13,000 additional crop insurance customers will also receive pre-filled applications in August to cover eligible 2020 losses described above and for producers with more complex policies where indemnities could not be calculated for 2021 previously.

ERP and the previously announced Emergency Livestock Relief Program (ELRP) are funded by the *Extending Government Funding and Delivering Emergency Assistance Act*, which President Biden signed into law in 2021. The law provided \$10 billion to help agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021. Overall, USDA has already

quickly disbursed over \$6 billion dollars under ERP and ELRP with reduced paperwork for the producer and field offices.

For more information on ERP eligibility, program provisions for socially disadvantaged or historically underserved producers as well as Frequently Asked Questions, NAP applicants can visit FSA's Emergency Relief webpage and program fact sheet.

Additional USDA disaster assistance information can be found on <u>farmers.gov</u>, including the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u> and <u>Farm Loan</u> <u>Discovery Tool</u>. For FSA and Natural Resources Conservation Service programs, producers should contact their local <u>USDA Service Center</u>. For assistance with a crop insurance claim, producers and landowners should contact their crop insurance agent.

Current FSA Loan Interest Rates

Current loan rates as of August 1, 2022.

Farm Loan Interest Rates:

Farm Operating - Direct	4.000%
Farm Operating - Microloan	4.000%
Farm Ownership - Direct	4.250%
Farm Ownership - Microloan	4.250%
Farm Ownership - Direct, Joint Financing	2.500%
Farm Ownership - Down Payment	1.500%
Emergency - Amount of Actual Loss	3.750%

Farm Storage Facility Loans (FSFL):

3-year FSFL	3.125%
5-year FSFL	3.125%
7-year FSFL	3.125%
10-year FSFL	3.000%
12-year FSFL	3.125%

Please visit the Farm Loan Program webpage for more information.

USDA Supports Military Veteran's Transition to Farming

Are you a military veteran interested in farming? USDA offers resources to help you:

• **Fund Your Operation:** USDA's Farm Service Agency offers a variety of <u>funding</u> <u>opportunities</u> to help agricultural producers finance their businesses. Certain funds are targeted for veterans and beginning farmers and ranchers.

- Conserve Natural Resources: USDA's Natural Resources Conservation Service
 offers conservation programs and expert one-on-one technical assistance to
 strengthen agricultural operations now and into the future. Veterans may be eligible for
 a cost share of up to 90 percent and advance payments of up to 50 percent to cover
 certain conservation practices.
- Manage Risks: USDA is here to help you prepare for and recover from the unexpected. Veterans who are beginning farmers may be eligible for reduced premiums, application fee waivers, increased insurance coverage, and other incentives for multiple USDA programs that support risk management.

USDA wants to ensure that veterans transitioning to agriculture have the resources needed to succeed. While USDA offices are currently closed to visitors because of the pandemic, Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. To conduct business, please contact your local USDA Service Center. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus. If you're a new farmer, you can also reach out to your state Beginning Farmer and Rancher Coordinator.

Women in Conservation Celebrated in Wisconsin

Highlighting the historic stewardship of women conservation professionals and educators, in addition to the increasing prominence of women owning and managing land in Wisconsin, Governor Tony Evers has proclaimed July 18–24, 2022, as Wisconsin Women in Conservation Week. For the second year in a row, Governor Evers has officially declared a week in July in observance of Wisconsin Women in Conservation.

The dedication shares its name with the state-wide group <u>Wisconsin Women in Conservation</u> (<u>WiWiC</u>), a collaborative effort led by the Michael Fields Agricultural Institute in partnership with Renewing the Countryside, Marbleseed, and Wisconsin Farmers Union. WiWiC is a three-year multi-faceted project funded by the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS), aimed to bring together Wisconsin women landowners to connect and learn about conservation practices, resources and funding opportunities.

The 2017 Ag Census reported that fifty-six percent of Wisconsin's 64,793 farms counted in the latest survey had a female producer. Women were listed as a principal producer on 35 percent of farms, and as the primary producer, or the person who made the most decisions, on 20 percent of the state's farms.

For more information about the technical and financial assistance NRCS provides to producers and landowners, visit www.wi.nrcs.usda.gov

Beginning Farmer Loan Opportunity

Accessing capital to begin, extend or support an agriculture operation can be especially challenging to new producers. Farm Service Agency's "Beginning Farmer" direct and

guaranteed loan programs provide an opportunity for qualified applicants to secure loans from funding set aside for producers who meet the following conditions:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

For more information contact, contact your local County USDA Service Center or visit fsa.usda.gov.

Ask The Expert: Saving America's Grasslands Q&A with Dr. Dirac Twidwell

In this Ask the Expert, Dr. Dirac Twidwell, Natural Resources Conservation Service (NRCS) Working Lands for Wildlife (WLFW) Science Advisor and Associate Professor at the University of Nebraska outlines how landowners can work together to protect and conserve grasslands through conservation. Dr. Twidwell is responsible for conserving grasslands on the Great Plains through science-backed efforts that span ownership boundaries. His research and publications have identified the largest remaining continuous grasslands in the United States and have outlined a 'call to action' to protect and preserve these invaluable biomes.

He also runs the Large-Scale Rangeland Conservation Lab at the University of Nebraska-Lincoln, which focuses on providing a framework for ecosystem management across multiple states. Dr. Twidwell recently co-authored <u>Reducing Woody Encroachment in Grasslands: A Guide for Understanding Risk and Vulnerability</u> that provides the first-ever framework for addressing woody encroachment in the Great Plains.

To read the full blog visit <u>farmers.gov/blog/ask-expert-saving-americas-grasslands-qa-with-dr-dirac-twidwell</u>.

USDA Makes It Easier for American Farmers to Grow Food, Ease Burdens for American Families

USDA is reducing the economic risk of raising two crops on the same land in one year, making it easier for U.S. farmers to grow food in America, increase food supply, and lower food costs for American families. This action is part of a broader_set of_commitments made earlier this year by President Biden and Agriculture Secretary Tom Vilsack to increase domestic food production amid potential global food shortages related to the invasion of Ukraine.

To reduce the risk of raising two crops on the same land in one year – a practice known as double cropping - USDA's Risk Management Agency (RMA) is expanding double crop insurance opportunities in nearly 1,500 counties where double cropping is viable.

See maps for where expanded opportunities for soybeans and sorghum are located.

Improvements include:

- For soybeans, double crop coverage will be expanded to or streamlined in at least 681 counties, including all of those that were initially targeted for review. While some additional counties were permanently added to be double crop counties, the majority of expansion removed barriers such as requiring production records and streamlined the process to get personalized coverage through a written agreement.
- For grain sorghum, double crop coverage will be expanded to or streamlined in at least 870 counties that were initially targeted for review. Similar to soybeans, most of these changes included streamlining the administrative burden and requirements to obtain written agreements. Written agreements provide the producer with the maximum flexibility by allowing them to obtain crop insurance coverage, but not requiring the coverage of both the spring and winter crops as in permanent double crop counties.
- RMA will also work with the crop insurance industry and farm organizations to
 highlight the availability and improvements in written agreements as an option for any
 farmer that grows a crop outside the area where a policy is automatically offered.

This expansion of coverage was guided by extensive outreach to nearly 70 grower groups covering 28 states. This includes a wide array of stakeholders such as producers, agents, university extension and other agricultural experts, commodity associations, state departments of agriculture and insurance companies. USDA may add additional counties as it explores these options with farmers this summer, with the final rules being locked in by the fall. Since farmers need to plan ahead for adding a winter crop to a rotation, USDA wanted to make sure they had time to consider this option and consult with local extension and agriculture experts and their crop insurance agent.

Additional resources released today by USDA include <u>frequently asked questions</u> as well as the <u>Helping Farmers Address Global Food Insecurity webpage</u> on farmers.gov.

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the <u>RMA Agent Locator</u>. Producers can learn more about crop insurance and the modern farm safety net at <u>rma.usda.gov</u>.

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